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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte* KAREN A. ANDERS,  
PAMELA A. BERMENDER,  
and  
PHONG ANH PHAM

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Appeal 2009-000424  
Application 10/759,931  
Technology Center 3600

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Decided:<sup>1</sup> July 28, 2009

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Before HUBERT C. LORIN, ANTON W. FETTING, and  
BIBHU R. MOHANTY, *Administrative Patent Judges*.

MOHANTY, *Administrative Patent Judge*.

DECISION ON APPEAL

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<sup>1</sup> The two-month time period for filing an appeal or commencing a civil action, as recited in 37 C.F.R. § 1.304, begins to run from the decided date shown on this page of the decision. The time period does not run from the Mail Date (paper delivery) or Notification Date (electronic delivery).

## STATEMENT OF THE CASE

The Appellants seek our review under 35 U.S.C. § 134 (2002) of the final rejection of claims 1-25 which are all the claims pending in the application. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

## SUMMARY OF THE DECISION

We AFFIRM-IN-PART.

## THE INVENTION

The Appellants' claimed invention is directed to a method for entitlement management. The method includes, responsive to a request for a service, determining if a recipient identified in the request is entitled to the service. In determining if the recipient is entitled to the service, a set of profile attributes values associated with a package of services containing the requested service is compared with corresponding values for said recipient. (Spec. 4:2-9). Claim 1, reproduced below, is representative of the subject matter of appeal.

1. A method for entitlement management comprising:
  - responsive to a request for a service, determining if a recipient identified in said request is entitled to said service;
  - if said recipient is entitled to said service, delivering said service, wherein said step of determining if said recipient is entitled to said service comprises:
    - comparing a set of administrator-configurable package profile attributes values associated with a package of services containing said service with corresponding values for said recipient.

### THE REJECTIONS

The Examiner relies upon the following as evidence in support of the rejections:

Talbot	US 2002/0116312 A1	Aug. 22, 2002
Svancarek	US 2004/0039705 A1	Feb. 26, 2004

The following rejections are before us for review:

1. Claims 1-4, 6, 9-13, 15, 18-22, and 25 are rejected under 35 U.S.C. § 102(e) as anticipated by Svancarek.
2. Claims 5, 8, 14, 17, 23, and 24 are rejected under 35 U.S.C. § 103(a) as unpatentable over Svancarek and Talbot.
3. Claims 7 and 16 are rejected under 35 U.S.C. § 103(a) as unpatentable over Svancarek.

### THE ISSUES

At issue is whether the Appellants have shown that the Examiner erred in making the aforementioned rejections.

With regards to claims 1-3, 6, 10-12, 15, and 19-21 this issue turns on whether Svancarek discloses “comparing a set of administrator-configurable package profile attributes values associated with a package of services containing said service with corresponding values for said recipient.”

With regards to claims 4, 9, 13, 18, 22, and 25 this issue turns on whether Svancarek discloses “if said service includes a limited number of accesses, decrementing a tracking count associated with the service.”

With regards to claims 5, 8, 14, 17, and 23-24 this issue turns on whether it would have been obvious to combine the teachings of Svancarek and Talbot to meet the claimed limitations.

With regards to claims 7 and 16 this issue turns on whether the claim language that the “alternate content includes a description of the criteria for said requested service” is non-functional descriptive material.

### FINDINGS OF FACT

We find the following enumerated findings of fact (FF) are supported at least by a preponderance of the evidence:<sup>2</sup>

FF1. Svancarek discloses distributing a software product activation key (Title).

FF2. Svancarek discloses that eligibility service 28 determines whether the user is qualified to obtain/purchase the desired product key 14 (step 305) [0034].

FF3. Svancarek discloses that eligibility service 28 may determine whether the customer is in a participating region and/or has a participating software product [0034].

FF4. Svancarek discloses product activation failure due to an already used product key [0035], tracking how many product keys have been distributed [0040], and whether a product key has been activated [0043].

FF5. Swancarek does not disclose if the service includes a limited number of accesses, decrementing a tracking count associated with the service.

FF6. Talbot discloses a method for screening criteria and a matching process in an electronic credit auction (Abstract).

FF7. Talbot discloses that it is determined that if any single value exclusions apply the credit request is filtered out and will not be shown to

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<sup>2</sup> See *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Patent Office).

that lender. If none of the single value exclusions apply the credit request will be filtered by a second pass filter [0043 and Fig. 5].

FF8. Talbot discloses that it is determined that if any of the multiple value exclusions apply the credit request would be filtered out and not shown to the lender [0044 and Fig. 5].

## PRINCIPLES OF LAW

### *Principles of Law Relating to Anticipation*

“A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987). Analysis of whether a claim is patentable over the prior art under 35 U.S.C. § 102 begins with a determination of the scope of the claim. We determine the scope of the claims in patent applications not solely on the basis of the claim language, but upon giving claims their broadest reasonable construction in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). The properly interpreted claim must then be compared with the prior art.

### *Principles of Law Relating to Obviousness*

Section 103 forbids issuance of a patent when “the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.”

*KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 550 U.S. at 407 (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”)

In *KSR*, the Supreme Court emphasized “the need for caution in granting a patent based on the combination of elements found in the prior art,” *id.* at 415-16, and discussed circumstances in which a patent might be determined to be obvious. In particular, the Supreme Court emphasized that “the principles laid down in *Graham* reaffirmed the ‘functional approach’ of *Hotchkiss*, 11 How. 248.” *KSR*, 550 U.S. at 415, (citing *Graham*, 383 U.S. at 12), and reaffirmed principles based on its precedent that “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” *Id.* at 416. The Court also stated “[i]f a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability.” *Id.* at 417. The operative question in this “functional approach” is thus “whether the improvement is more than the predictable use of prior art elements according to their established functions.” *Id.*

The Court noted that “[t]o facilitate review, this analysis should be made explicit.” *Id.* at 418 (citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006)) (“[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning

with some rational underpinning to support the legal conclusion of obviousness”). However, “the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.” *Id.*

## ANALYSIS

### *Claims 1- 3, 6, 10-12, 15, 19-21, and 25*

The Appellants argue that the rejection of claim 1 as anticipated by Svancarek is improper because the reference fails to disclose ““wherein said step of determining if said recipient is entitled to said service comprises: comparing a set of administrator-configurable package profile attributes values associated with a package of services containing said service with corresponding values for said recipient”” (Br. 4). The Appellants argue that Svancarek simply discloses using a product key and if a customer is in a participating region (Br. 4-7, Reply Br. 2-4).

In contrast the Examiner has determined that Svancarek discloses the claimed limitation by determining whether the customer is in a participating region and/or has participating software products (Ans. 6-7).

We agree with the Examiner. We determine the scope of the claims in patent applications “not solely on the basis of the claim language, but upon giving claims their broadest reasonable construction ‘in light of the specification as it would be interpreted by one of ordinary skill in the art.’” *Phillips v. AWH Corp.*, 415 F.3d 1303, 1316 (Fed. Cir. 2005) (en banc) (quoting *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004)). Here the Appellants’ own Specification recites that the profile attribute may include “Geographies” (Spec. 7:3-8). Svancarek has disclosed



that the eligibility service 28 determines whether the customer is in a participating *region* and/or has a participating software product (FF3). Thus, Svancarek does disclose a profile attribute (the geographic region) with a package of services (the software product) which must correspond to that of the recipients for eligibility and thus meets the claimed limitation.

For this reason the rejection of claim 1 is sustained. The rejection of claims 2, 6, 10-11, 15, 19-20, and 25 for which the Appellants have presented the same arguments is sustained for the same reasons given above.

The Appellants argue that the rejection of claim 3, 12, and 21 as anticipated by Svancarek is improper because the reference fails to disclose “selected attributes having one or more values” (Br. 7-8). As Svancarek discloses a participating region (FF1) this serves as a selected attribute having a value as claimed and the rejection of these claims is sustained.

*Claims 4, 9, 13, 18, and 22*

The Appellants argue that the anticipation rejection of claims 4, 13, and 22 is improper because Svancarek does not disclose that “if said service includes a limited number of accesses, decrementing a tracking count associated with the service.”

In contrast the Examiner has determined that Svancarek discloses the claimed limitation and cites to paragraphs 0035 and 0040-0043 of the reference as disclosing these features (Ans. 8).

We agree with the Appellants. Svancarek does disclose product activation failure due to an already used product key, tracking how many product keys have been distributed, and whether a product key has been activated (FF4). However, Swancarek does not disclose if said service includes a limited number of accesses, decrementing a tracking count

associated with the service (FF5). The cited claims specifically require “decrementing a tracking count associated with the service” which is different than tracking the number of keys distributed and whether the keys have been activated. Svancarek does disclose activation failure but not specifically due to a decremented tracking count associated with the service. For example, the activation failure could be due to a binary comparison in which there was no decremented tracking count and thus it is unclear if such an operation is inherent in the reference beyond conjecture. For this reason the rejection of claims 4, 13, and 22 is not sustained. Claims 9 and 18 depend from claims 4 and 13 respectively and the rejection of these claims is not sustained for the same reasons.

*Claims 5, 8, 14, 17, and 23-24*

The Appellants argue that the rejection of claims 5, 14, and 23 is improper because Svancarek and Talbott do not disclose “determining if a current attribute is single-valued” and “determining if a current attribute is single-valued for each profile attribute” (Br. 13-15, Reply Br. 6-7). The Appellants also argue that the rejection of claims 8, 17, and 24 is improper because the references do not disclose ““wherein if said current attribute is not single-valued, determining said recipient is not entitled if each value of said current attribute and a corresponding value for said recipient miscompare”” (Br. 15, Reply Br. 6-8). The Appellants have also argued that there is no motivation to combine the references and that the references are not analogous prior art (Br. 15-20, Reply Br. 9).

In contrast the Examiner has determined that Svancarek and Talbott disclose the claimed limitations and that the references are properly combined (Ans. 10-14).

We agree with the Examiner. Svancarek does disclose a profile attribute (the geographic region) with a package of services (the software product) (FF3) which is matched for a customer to be eligible. The use of multiple geographic regions in Svancarek would be an obvious extension to cover more territories. The use of eligibility if one or more matches were made with the profile attributes and the customer would be obvious to allow different options for the customer to become eligible. Talbot has disclosed that it is determined that if any single value exclusions apply the credit request is filtered out and will not be shown to that lender. If none of the single value exclusions apply the credit request will be filtered by a second pass filter (FF7). Talbot discloses that it is determined that if any of the multiple value exclusions apply the credit request would be filtered out and not shown to the lender (FF8). By filtering out single value exclusions before checking for matches or mismatches the system of Talbot would save computer processing time. The modification of the system of Svancarek to include determining if a current attribute is single-valued or not before checking for corresponding matching values as disclosed by Talbot is considered a predictable combination of elements for their known functions with rational underpinnings to decrease computer processing times by filtering. With regard to the argument that there is no motivation to combine the references, note that in *KSR*, the Supreme Court rejected the Federal Circuit's rigid application of its teaching, suggestion, motivation test in favor of an expansive and flexible approach. *Id.*, 550 U.S. at 415. The Supreme Court noted that

Often, it will be necessary to look to  
interrelated teachings of multiple patents;  
the effects of demands known to the design  
community or present in the marketplace;

and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue.

*Id.*, 550 U.S. at 418. In this case, Talbot while directed to a credit auction for lenders and borrowers is also concerned with “electronic matching” of corresponding elements. Svancarek also has an “electronic matching” of corresponding elements as the system seeks to match “profile attributes” for a package of services for the customers to be eligible. As Talbot and Svancarek both have portions directed to “electronic matching” and both would be seeking to improve processing speeds, those portions of the references would be interrelated teachings to one of ordinary skill in the art. For these reasons the rejection of claims 5, 8, 14, 17, and 23-24 is sustained.

#### *Claims 7 and 16*

With regards to claims 7 and 16 the Appellants argue that the Examiner has improperly rejected the claims as being directed to non-functional descriptive material (Br. 20-21). The Examiner has determined in contrast that claims 7 and 16 are directed to and contain non-functional descriptive material (Ans. 14).

We agree with the Examiner. The PTO need not give patentable weight to descriptive material absent a new and unobvious functional relationship between the descriptive material and the substrate. *See In re Gulack*, 703 F.2d 1381, 1386 (Fed. Cir. 1983). *See also In re Ngai*, 367 F.3d 1336, 1338 (Fed. Cir. 2004); *In re Lowry*, 32 F.3d 1579, 1583-84 (Fed. Cir. 1994). The burden of establishing the absence of a novel, nonobvious

functional relationship rests with the PTO. *In re Lowry*, 32 F.3d at 1584.

We conclude that when the prior art describes all of the claimed structural and functional relationships between descriptive material and the substrate, but the prior art describes a different descriptive material than the claim, then the claimed descriptive material is non-functional and will not constitute a sufficient difference from the prior art to establish patentability. That is, we conclude that such a scenario presents no new and unobvious functional relationship between the descriptive material and the substrate.

Here, claims 7 and 16 recite the *message* “alternate *content* includes a description of criteria for said requested service.” (Emphasis added). There is no new and unobvious functional relationship in how the message is sent in the method or the product as recited in claims 7 and 16. Accordingly the claimed limitations are considered non-functional descriptive material. The Appellants have presented no other arguments for claims 7 and 16 and for these reasons the rejections of claims 7 and 16 is sustained.

### CONCLUSIONS OF LAW

We conclude that Appellants have failed to show that the Examiner erred in rejecting claims 1- 3, 6, 10-12, 15, 9-21, and 25 under 35 U.S.C. § 102(e) as anticipated by Svancarek.

We conclude that Appellants have shown that the Examiner erred in rejecting claims 4, 9, 13, 18, and 22 under 35 U.S.C. § 102(e) as anticipated by Svancarek.

We conclude that Appellants have failed to show that the Examiner erred in rejecting claims 5, 8, 14, 17, 23, and 24 under 35 U.S.C. § 103(a) as unpatentable over Svancarek and Talbot.

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We conclude that Appellants have failed to show that the Examiner erred in rejecting claims 7 and 16 under 35 U.S.C. § 103(a) as unpatentable over Svancarek.

### DECISION

The Examiner's rejection of claims 1-3, 5-8, 10-12, 14-17, 19-21, and 23-25 is sustained. The Examiner's rejection of claims 4, 9, 13, 18, and 22 is reversed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv) (2008).

### AFFIRMED-IN-PART

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